

National Infrastructure Protection Center NIPC Daily Open Source Report for 13 February 2003



Daily Overview

- CNN reports the American Automobile Association asserts that nothing fully justifies the dramatic increase in gasoline prices experienced across the United States in the last month, and urges drivers to shop aggressively for gasoline bargains. (See item 2)
- The General Accounting Office has published report GAO-03-414 entitled "Potential terrorist attacks: additional action needed to better prepare critical financial market participants," which addresses the impact of Sept 11 on the U.S. financial markets and makes recommendations for improvement. (See item_11)
- The Washington Post reports the CIA warns that small countries seeking to obtain nuclear weapons are a problem confronting the world with a new nuclear arms race that threatens to dismantle more than three decades of nonproliferation efforts. (See item 21)
- The New York Times reports government scientists are recommending a combination of facial recognition and fingerprint scanning technologies as the federal standard for identity documents to be issued to foreigners starting next year. (See item 22)
- Newsday reports experts met last weekend at the annual CyberCrime convention and concluded that the significant threat to the Net is not its collapse, but the possibility that terrorists could build an undetectable control network on top of it to monitor and filter Internet traffic. (See item 24)
- Note from the Editor: As of 3 February, the NIPC Daily Open Source Report is being distributed through a new list service. While significant effort has been done to ensure smooth transition, problems are bound to occur. Please notify nipcdailyadmin@mail.nipc.osis.gov with any comments, concerns, questions, or problems.
- Note from the Editor: Both the PDF and Word versions of the daily are posted to the NIPC Web Site at http://www.nipc.gov/dailyreports/dailyindex.htm

NIPC Update Fast Jump

Production Industries: Energy; Chemical; Defense Industrial Base

Service Industries: Banking and Finance; Transportation; Postal and Shipping

Sustenance and Health: Agriculture; Food; Water; Public Health

Federal and State: Government; Emergency Services

IT and Cyber: Information and Telecommunications; Internet Alert Dashboard

Other: General; NIPC Web Information

Energy Sector

Current Electricity Sector Threat Alert Levels: <u>Physical</u>: High, <u>Cyber</u>: High
Scale: LOW, GUARDED, ELEVATED, HIGH, SEVERE [Source: ISAC for the Electricity Sector (ES-ISAC) – http://esisac.com]

1. February 13, The Mercury News — Oil inventories at critical low. U.S. crude-oil inventories have fallen to the lowest level since 1975 — below what the industry considers essential for smooth operation. But government and industry officials say refiners have enough oil, and that if war in Iraq should disrupt the supply, the United States and other industrial countries are ready to draw on government reserves. The Energy Department said Wednesday that crude stocks fell by 4.5 million barrels last week to 269.8 million barrels, just below the minimum to assure efficient refinery operation. The continued decline of crude stocks, as the Bush administration makes war preparations, was expected to prompt renewed calls for drawing on some of the 600 million barrels of oil in the government's emergency Strategic Petroleum Reserve. Saudi Arabia and other OPEC producers agreed to boost production to try to make up for lost Venezuelan oil, and even Venezuela's output began to rebound.

Source: http://www.bayarea.com/mld/mercurynews/business/5171415.htm

2. February 12, CNN — Drivers urged to hunt for cheaper gas. The American Automobile Association (AAA) reports fuel prices are highest ever recorded in February. American drivers should shop aggressively for gasoline bargains in the face of "dramatic" and questionable price increases, the auto club AAA said Tuesday. Fear of another significant terrorist attack and uncertainty about war in Iraq, as well as the continuing loss of oil to a strike in Venezuela and recent cold weather in much of the country, are driving gas prices higher across the United States, AAA said. However, it said, "nothing fully justifies the dramatic increase in gasoline prices experienced across the United States in the last month." Since mid–January, the price of a gallon of self–serve regular gasoline has increased 13.4 cents to \$1.60 per gallon, according to AAA's daily Fuel Gauge Report. "AAA is advising motorists to shop aggressively for the best price on gasoline, look for ways to cut down on fuel consumption, and keep their vehicles properly maintained to increase fuel economy, as methods of cushioning family budgets," a news release said. "AAA also urges gasoline wholesalers and retailers to show restraint in the pricing of their product, and [cautions] the industry not to take advantage of the nation's heightened terrorist alert status," it said. After September 11, 2001, state authorities took aggressive legal action against gasoline companies that sought to profit from the attacks. AAA said it would support similar action now if that becomes necessary.

Source: http://www.cnn.com/2003/US/02/11/gas.price.hike/index.html

3. February 12, The Guardian (UK) — Nuclear watchdog refers N. Korea to UN Security Council. The International Atomic Energy Agency (IAEA), the UN's nuclear watchdog, today referred North Korea to the Security Council over its suspected weapons programs.

A statement issued after an emergency meeting of the agency's 35-nation board of governors said it was "unable to verify that there has been no diversion of nuclear material" for weapons use. Pyongyang's relations with the outside world deteriorated at the end of last year when it expelled IAEA inspectors and announced it was reactivating a nuclear reactor mothballed under a 1994 agreement with the United States. It said a U.S. embargo of vital fuel oil – imposed after a North Korean official admitted to the U.S. it had a separate uranium enrichment program – had left it in dire need of energy it could only get only get from the nuclear plant. But it is suspected that North Korea, one of the world's most isolated states, is diverting spent fuel rods from the reactor into a arms program as a means of self-defense against the U.S. and its allies or for high risk nuclear brinkmanship.

Source: http://www.guardian.co.uk/international/story/0.3604,894216, 00.html

4. February 12, Reuters — U.S. seen turning abroad to feed natgas appetite. The United States will become increasingly dependent on natural gas supplies from the Middle East, Russia and Africa in the next decade as rising demand tightens a market struggling to maintain current output levels, industry experts said on Wednesday. That demand has been fed by the large numbers of power plants built in the past three years that are completely reliant on natural gas, forcing the United States to turn to many of the same exporters that control trade in the global oil market. "We in North America consume about one-third of the gas used everyday in the world, but we have less than 2 percent of the reserves," Hal Kvisle, chief executive of TransCanada PipeLines Ltd., told a Houston energy conference. That supply deficit will sharply raise the profile of liquefied natural gas, which has been on the market for about 30 years but remains a niche market because of its relatively high costs compared to shipping the fuel through pipelines. Putting LNG on ships is the only viable means of transporting gas the long distances across oceans. "Ten years ago, gas was very much a regional and local market," said Philippe van Marcke, president of energy marketing for Belgium's Tractebel SA, the energy unit of French conglomerate Suez and a leader in LNG marketing. About 70 percent of the proven gas supply is in the Middle East and Russia. Norway and North Africa also have significant supplies, Van Marcke said.

Source: http://www.forbes.com/markets/commodities/newswire/2003/02/1 2/rtr878063.htm

5. February 12, Associated Press — Venezuela's oil monopoly fires strikers. President Hugo Chavez has fired more than 30 percent of the work force at the state oil monopoly for participating in a 2-month-old general strike that sought to unseat him, a spokesman for the dissident workers said Wednesday. Chavez has fired 11,917 out of 37,942 employees from Petroleos de Venezuela S.A., said Juan Fernandez, a former state oil company executive who was among those fired. The firings—mostly executives and administrative staff—are part of Chavez's plan to restructure the mammoth corporation, reducing excess bureaucracy and squeezing out dissent. But some international oil experts warn the abrupt dismissals could hurt government efforts to revive the world's fifth-largest exporting industry, which provides half of public revenue and 70 percent of export earnings for Venezuela. Chavez has lifted production to almost half of normal levels, but refineries and exports have been slow to recuperate. Motorists in Venezuela are still waiting in hourslong lines for gasoline, though traffic in the capital, Caracas, picked up considerably after the opposition ended the strike in all areas except oil last week. Chavez refuses to rehire the dismissed oil company workers, saying they cannot be trusted not to walkout again. Many participated in an April strike that helped trigger a short-lived coup against Chavez. The president also vows the strikers will be

prosecuted for allegedly sabotaging oil installations and for the economic damage done to Venezuela during the strike. Dissident employees deny the sabotage charges.

Source: http://www.austin360.com/aas/news/ap/ap story.html/Intl/AP.V 8068.AP-Venezuela-Oil.html

- 6. February 12, Akron Beacon Journal, Ohio Port Clinton, Ohio-Area Nuclear Power Plant Had Cooling-System Flaw. The Davis-Besse nuclear power plant for decades had a cooling system flaw that, under a worst-case scenario, could have led to a fuel core meltdown, plant owner FirstEnergy has told the Nuclear Regulatory Commission. The flaw, a wider-than-allowed gap in a sump strainer system, was discovered last September during an inspection by FirstEnergy and reported to the NRC in December. That gap could have allowed debris created during what is called a loss-of-coolant accident to clog an emergency cooling system, rendering it inoperable, the Akron utility's report to the NRC said. Because of the upgrade, the discovery of the flaw, while not trivial, is not an issue for the plant's restart, said Jack Grobe, an NRC official who heads an oversight panel looking into the troubled Oak Harbor power plant. Subsequent inspections of the sump system focused on the grating and did not require close looks at the area where the flaw was, the report said. If debris caused by the explosive release of steam and coolant from the reactor clogs the sump, the system cannot recirculate the coolant. The NRC's analysis of the sump system flaw indicates a core meltdown would have been unlikely if the boric acid cavities on top of the old reactor head had burst and released coolant, Grobe said. But if there had been an accident that released a larger amount of coolant, the old sump design may not have been sufficient to protect the reactor, he said.
 - Source: http://www.energycentral.com/sections/newsroom/nr article.cf m?id=3639821
- 7. February 11, Reuters California weighs move to smaller power plants. California energy regulators are to consider adopting policies and rules on Thursday to encourage the building of small power plants near business and residential electricity customers. The California Public Utilities Commission, investor—owned utilities, other energy companies, and consumer groups have been studying "distributed generation" to weigh the benefits of moving a new generation of small, customer—owned power stations closer to where the electricity is consumed. The Federal Energy Regulatory Commission (FERC) and other states also are looking at distributed generation. Last month, FERC asked the energy industry for recommendations on how to create incentives for distributed generation to help meet growing demand for power without investing in conventional power plants. California has the capacity to generate about 53,000 megawatts of electricity.

Source: http://hsweb01.screamingmedia.com/PMA/pma newsarticle1 natio nal.htm?SMDOCID=reuters pma 2003 02 11 eng-reuters pma CALIF -WEIGHS-MOVE-TO-SMALLER-POWER-PLANTSa>

Return to top

Chemical Sector

Nothing to report.

[Return to top]

Defense Industrial Base Sector

- 8. February 12, Wall Street Journal March to war strikes a nerve in St. Charles protesters. In a six-block complex, known here simply as the "missile factory," assembly lines are working 24 hours a day churning out high-tech kits that change standard gravity bombs into astonishingly accurate satellite-assisted smart bombs. The Pentagon says the kits, known as Joint Direct Attack Munitions, or JDAMs, are critical to any war in Iraq and has ordered up 18,840 to be delivered as soon as they can be made. The kits, which are assembled only at the Boeing-owned complex in St. Charles, are so prized that Air Force Secretary James Roche carries a slip of paper in his pocket showing the daily total of JDAMs he has on hand. Antiwar protesters, first alerted to St. Charles's role in the military buildup by news reports, twice have staged demonstrations in front of the factory — and activists say they will be back again next month. After the first demonstration, St. Charles police sought riot-control training from the sheriff's office in Miami-Dade, FL. But the biggest complaint here is about all the attention that has come with the war buildup and the big JDAM contract. Thanks to Pentagon plaudits and Boeing's own aggressive marketing of the weapon to national and international media, St. Charles is garnering more notice than it wants. And though Boeing expects this program to be worth about \$5 billion — more than all its other munitions programs combined — the assembly–line payroll of 32 people is hardly throwing off bountiful war dividends for the town. For local residents, the biggest fear is terrorism. "Al Qaeda likes symbolic targets, but I think Saddam Hussein's secret police or whatever may have more military targets in mind," says Rory Riddler, a city councilman who doesn't work for Boeing. Law-enforcement officials here are worried, too. The plant, they note, isn't exactly a hardened target — it sits on a river, spread out below a high bridge, on a gritty highway clogged with burger joints and tract houses.
- 9. February 12, Associated Press Pentagon calls up nearly 40,000 reservists. A huge increase in the call—up of National Guard and reserve troops in the past week has pushed the number now serving in the counter—terror war to more than 12% of the total force, the Pentagon said Wednesday. As the United States continued its buildup for a possible war with Iraq, some 38,600 were activated during the week, nearly double the previous largest weekly jump since the September 2001 attacks on America. "Some ... will deploy to the Middle East, others will serve here in the homeland," said Lt. Col. Dan Stoneking, a Defense Department spokesman. "All of them are essential to winning the war on terrorism." The total now serving under that order is over 150,000, said Stoneking. It stood at 58,000 just a month ago, steadily stepping up each week since then with increases of 15,000 to 20,000 until the big jump of the past week. The figures do not include guard and reserve members normally serving around the globe in a variety of missions.

Source: http://online.wsj.com/article_print/0,,SB1045000225704284023,00.html

Source: http://www.usatoday.com/news/world/iraq/2003-02-12-reserves-activated x.htm

10. February 12, Washington Times — U.S. eyes cuts at Germany, S. Korea bases. The Bush administration yesterday held out the possibility that it would reduce U.S. military presence in South Korea and Germany, both of whom have expressed increasing displeasure over the basing and use of U.S. troops there. "There is a school of thought to rethink the numbers and types of forces we have in different locations as events warrant," Bush spokesman Ari Fleischer said. "Our objectives would be to maintain our military presence, to assure our

friends and allies, while deterring, if necessary, and defeating adversaries." Some congressmen, who acknowledged that studies are under way to reduce deployments in Europe and elsewhere, said the move was not aimed at punishing Germany, which, along with France, opposes a U.S.—led invasion of Iraq. "Forward stationing of troops and rotating of troops into different parts of Europe on a rotating basis rather than the permanent stationing" is under consideration, said Sen. John McCain, (R-AZ). "But I don't think that has anything to do with our relations with Germany."

Source: http://www.washingtontimes.com/national/20030212-89728.htm

Return to top

Banking and Finance Sector

11. February 12, General Accounting Office — Potential terrorist attacks: additional action needed to better prepare critical financial market participants. The Government Accounting Office (GAO) has published GAO-03-414: Potential terrorist attacks: additional action needed to better prepare critical financial market participants. The GAO concluded that the September 11 attacks severely disrupted U.S. financial markets, resulting in the longest closure of the stock markets since the 1930s and severe settlement difficulties in the government securities market. While exchange and clearing organization facilities were largely undamaged, critical broker-dealers and bank participants had facilities and telecommunications connections damaged or destroyed. These firms and infrastructure providers made heroic and sometimes ad hoc and innovative efforts to restore operations. However, the attacks revealed that many of these organizations' business continuity plans (BCP) had not been designed to address wide-scale events. GAO reviewed 15 organizations that perform trading or clearing and found that since the attacks, these organizations had improved their physical and information security measures and BCPs to educe the risk of disruption from future attacks. However, many of the organizations still had limitations in their preparedness that increased their risk of being disrupted. The financial regulators have begun to jointly develop recovery goals and business continuity practices for organizations important for clearing; however, regulators have not developed strategies and practices for exchanges, key broker-dealers, and banks to ensure that trading can resume in a timely manner in future disasters. Individually, the Securities and Exchange Commission (SEC) has reviewed exchange and clearing organization risk reduction efforts, but has not generally reviewed broker-dealers' efforts. The bank regulators that oversee the major banks had guidance on information security and business continuity and reported examining bamks' risk reduction measures annually. Among other things, the GAO recommends the SEC Chairman work with industry to develop goals and strategies to resume trading in securities markets, and the SEC should improve oversight of information technology issues.

Source: Report: http://www.gao.gov/cgi-bin/getrpt?GAO-03-414 Highlights: http://www.gao.gov/highlights/d03414high.pdf

12. February 12, United Press International — U.S. has al Qaeda backers' list. The Federal Bureau of Investigation has discovered a list of the top financial backers of al Qaeda during a raid of a Muslim charity in Sarajevo, according to court documents obtained by United Press International. The reference to the list is the first public indication that U.S. authorities have specific information as to the identities of the financiers of Osama bin Laden's terror

network, but it is unclear what, if any, action has been taken against the persons named in the document. The handwritten list -- referred to within al Qaeda as "The Golden Chain" — details 20 wealthy donors to al Qaeda followed by the specific recipient of the funding. Osama bin Laden's name appears next to seven of the entries, including at least one donation made by the "bin Laden brothers," according to the court document. The bin Laden family controls a huge conglomerate of corporate interests ranging from real estate to heavy construction and is considered one of the wealthiest and most prestigious families in Saudi Arabia. The family claims to have disowned Osama bin Laden in the early 1990s when he changed his focus from supporting rebels in Afghanistan against its communist government and Soviet backers to worldwide campaign against the United States and Israel. The U.S. government has repeatedly stated that the bin Laden family has assisted in the efforts to contain and destroy the al Qaida network and the family itself denies supporting Osama's terror campaign. The revelation that the United States has such a list -- which would be an invaluable tool for tracking and eventually staunching the flow of money to the terror organization — came in a sealed proffer made by federal prosecutors in the case against Enaam M. Arnaout, the director of Benevolence International Foundation. Arnaout had been charged with multiple counts of racketeering, conspiracy, money laundering and aiding al Qaeda before pleading guilty Monday to a single racketeering count. The proffer was ordered unsealed Tuesday after the plea agreement was reached, although several of the exhibits remain sealed unless they are introduced as evidence at Arnaout's sentencing. Source: http://www.upi.com/view.cfm?StoryID=20030211-030831-8646r

Return to top

Transportation Sector

- 13. February 12, New York Times US Airways loan guarantee is reaffirmed. The federal government renewed its approval of a \$900 million loan guarantee for US Airways yesterday, moving the airline a step closer to exiting bankruptcy. The Air Transportation Stabilization Board agreed in July to the guarantee, which would back a proposed \$1 billion loan, but US Airways, the nation's seventh—biggest airline, prompted a further review of its application when it filed for bankruptcy protection in August. The latest approval, like the first one, hinges on several conditions. US Airways must emerge from bankruptcy by March 31, after which it will be able to borrow the \$1 billion. The company has not specified which lenders would provide the money. The conditions also include formal agreement on concessions from the airline's employees and obtaining approval from the Pension Benefit Guaranty Corporation, a federal agency, for a strategy for funding pensions. The bankruptcy court will review that strategy later this month.

 Source: http://www.nytimes.com/2003/02/12/business/12AIR.html
- 14. February 11, U.S. Department of Transportation Maritime Administration activates Ready Reserve Force ships. The U.S. Department of Transportation's Maritime Administration (MARAD) activated two more Ready Reserve Force (RRF) ships to support Operation Enduring Freedom on Tuesday. The activations follow orders received from the U.S. Navy's Military Sealift Command. The two ships, the CAPE LOBOS and the CAPE LAMBERT, are part of the James River Reserve Fleet anchored near Fort Eustis, VA. The recently—activated ships join 32 others already activated to support Operation Enduring

Freedom. These, combined with four others on long–term assignment, bring the total of activated MARAD RRF ships to 38. The CAPE LAMBERT and the CAPE LOBOS are both Roll–On/Roll–Off vehicle carriers.

Source: http://www.dot.gov/affairs/marad0203.htm

Return to top

Postal and Shipping Sector

15. February 13, Shipping Times (Singapore) — Problem-free loading of U.S.-bound cargo in Singapore. Defying expectations of quay-side chaos as a result of a new U.S. Customs requirement to submit cargo manifest lists 24 hours in advance, it has been smooth sailing for the loading of U.S.-bound boxes in Singapore since enforcement of the rule began on Feb 2. Under the 24-hour advance manifest rule, U.S.-bound cargo not properly documented with adequate descriptions or manifests not filed with U.S. Customs 24 hours prior to vessel loading in foreign ports are to be issued with 'Do-Not-Load' messages by the Customs authority and any of these boxes that are loaded are to be denied permission to unload in U.S. ports. In Singapore, industry participants said the enforcement date came and went with virtually no problems in the loading of U.S.-bound cargo. The transition in Hong Kong was less smooth, however, with non-compliance as high as 60 per cent in the weeks leading up to Feb 2. Compliance was dramatically boosted by the enforcement deadline with the rejection rate slimming down to only 2.6 per cent by last Friday, according to a South China Morning Post report.

Source: http://business-times.asia1.com.sg/sub/shippingtimes/story/0_,4574,72536,00.html?

Return to top

Agriculture Sector

16. February 12, Edmonton Sun — Favorable results on E. coli vaccine. A major Canadian trial to develop a vaccine that attacks the E. coli bug is proving a huge success, says the Alberta Research Council. ARC Life Sciences vice-president Peter Matthewman said early results show that the vaccine is effective at reducing the amount of E. coli shed by cattle. Matthewman said that with tests still in the preliminary stage, it will be at least a year before the vaccine can be sold commercially. "We are seeing some very favorable results – this is really exciting technology," said Matthewman. "It will be a month to six weeks before we can see what the data says. We are seeing a reduction in the amount of E. coli shed by animals but it's still very early days." The E. coli 0157:H7 bacterium lives in the intestines of healthy cattle but can sicken and, in some cases, kill humans who ingest it from water or meat. A vaccine to reduce the amount of E. coli shed by cattle was first developed by Brett Finlay, a biotechnology professor at the University of British Columbia. The Alberta Research Council licensed his idea and is working with the University of Sask-atchewan's Veterinary Infectious Disease Organization to develop the vaccine. The trial involves testing the vaccine in feedlots in Alberta and Saskatchewan. Matthewman said the ARC plans to produce the vaccine at its south Edmonton base for at least the first two to three years of sales. It will be sold in Canada and the U.S. but there are also plans to market it in Europe.

Source: http://www.canoe.ca/EdmontonNews/es.es-02-12-0028.html

17. February 12, icNorthWales — Farmers hit hard by TB in cattle. The cattle TB plague sweeping parts of Wales is having a more destructive impact than the 2001 foot—and—mouth outbreak, according to farm union evidence submitted to the Assembly. New figures from rural ministry Defra show the number of TB cases in Wales more than doubled last year from 128 to 192, resulting in the slaughter of almost 5,000 cattle. Across Britain, more than 23,000 cattle were slaughtered as the number of farms affected by the disease surpassed the number directly affected by foot—and—mouth. "For individual farmers affected by TB, the implications are far worse. Unlike foot—and—mouth, where movement restrictions of cattle can be lifted after 12 to 16 weeks, TB outbreaks tie a farm up for much longer — I know several in Wales who have been locked up for three years, and the effect on the farmers and their families is terrible.

Source: http://icnorthwales.icnetwork.co.uk/news/regionalnews/page.c fm?objectid=12631650id=50142

18. February 12, San Diego Union—Tribune — San Bernardino County hit again. Another commercial poultry ranch in San Bernardino, CA has tested positive for Exotic Newcastle disease, the deadly avian virus that has infected birds across Southern California and in Arizona and Nevada. Officials have ordered the ranch's 72,000 chickens destroyed, bringing the total number of birds to be euthanized in an attempt to stem the disease's spread to nearly 2.1 million. To date, the effort to eradicate the disease has cost \$35 million. The ranch, the eighth commercial flock to be infected, is near other contaminated ranches as well as private property where birds have contracted Exotic Newcastle, said Jay Van Rein, spokesman for the California Department of Food and Agriculture. "If you take a look at a map and see where we're finding the disease, these areas are pretty well connected," Van Rein said.

Source: http://www.signonsandiego.com/news/metro/20030212-9999 2m12r anch.html

[Return to top]

Food Sector

Nothing to report.

[Return to top]

Water Sector

Nothing to report. [Return to top]

Public Health Sector

19. February 12, Democrat and Chronicle — Local medics attend boot camp for bioterror war. New York area practitioners of the medical arts got a lesson Tuesday on how to recognize, and respond to, a biological or chemical attack. "It's not something you learn about in

school," said Dr. Adam J. Rowen, a New Jersey lung specialist trained by the military on medical responses to terror attacks from weaponized chemicals and germs. Rowen's 90—minute presentation was the keynote address in the regional American Lung Association's first "pulmonary teaching day." About 80 doctors, nurses and emergency medical personnel learned about biological and chemical agents. Inhalation anthrax, a bioweapon, infected 11 Americans in an October 2001 mail attack. Sarin gas, a chemical, killed 12 Japanese in 1995 during a terror attack on a Tokyo subway. Such attacks are designed to do more than kill; they're designed to cripple medical infrastructure, he said. After the sarin attack, few died, but 5,500 people jammed into local emergency rooms, overwhelming hospitals. With gas—soaked clothes, they injured 10 percent of the first responders who treated them. More than 70 biological agents have been weaponized. According to the defense department, the "A" list of the six worst germs used as weapons includes anthrax, plague, smallpox, botulism, viral hemorrhagic fever and tularemia, an infectious bacteria that can cause respiratory failure, shock and death.

Source: http://www.rochesterdandc.com/news/0212story8 news.shtml

Return to top

Government Sector

20. February 12, Reuters — Anti-aircraft missiles deployed around Washington. The U.S. military has deployed jeep-mounted Stinger anti-aircraft missiles around the nation's capital in an increased alert against possible terrorist attack, defense officials said on Wednesday. The defense officials, who asked not to be identified, told Reuters that heat-seeking Stinger missiles — weapons that can be fired from the shoulder — had been deployed in mobile "Avenger" systems on jeeps also carrying firing and guidance units. Each is operated by a two-member crew. The officials refused to say exactly where or how many units had been deployed this week, but some were protecting the Pentagon. The Avenger systems were also deployed around Washington last September on the first anniversary of the attacks, but were later removed. The new defense system is integrated with F-16 fighter jet patrols protecting Washington around the clock and radar and emergency communications between the military and civilian agencies.

Source: http://story.news.yahoo.com/news?tmpl=story 030212/ts nm/attack usa threat dc 1

21. February 12, Washington Post — CIA head predicts nuclear race. CIA Director George J. Tenet warned on Tuesday that the "desire for nuclear weapons is on the upsurge" among small countries, confronting the world with a new nuclear arms race that threatens to dismantle more than three decades of nonproliferation efforts. "The 'domino theory' of the 21st century may well be nuclear," Tenet said in reference to the doctrine that led the United States militarily into Vietnam in the 1960s to try to prevent a communist takeover of Southeast Asia. "We have entered a new world of proliferation." Over the past 12 months, Tenet said, North Korea, Iraq, Iran and Libya have all moved to obtain equipment to produce weapons—grade nuclear materials and the ability to deliver them as nuclear bombs. There also has been ongoing concern about Pakistan's and India's maturing nuclear programs, as well as growing alarm that nuclear materials could fall — or have already spread — into the hands of terrorist groups such as al Qaeda for production of radioactive "dirty" bombs. "More has changed on proliferation over the past year than any other issue," Tenet told

the Senate intelligence committee in his worldwide threat briefing, an annual report to Congress.

Source: http://www.washingtonpost.com/wp-dyn/articles/A59498-2003Feb 11.html

22. February 12, New York Times — Report suggests use of facial and fingerprint scanning on foreigners. Government scientists are recommending a combination of facial recognition and fingerprint scanning technologies as the federal standard for identity documents to be issued to foreigners starting next year. The standards, which were Congressionally mandated as part of the USA Patriot Act and a border security act, would be used in all documents issued to foreigners by the State Department and the Immigration and Naturalization Service, including green cards, student visas and border crossing cards. The scientists' report, which has been submitted to Congress, is the first step in instituting body–recognition technology, known as biometrics, as a governmental tool on a wide basis. Biometrics has been identified as a necessary means of improving the tracking of foreigners and the reduction of document fraud. Pending the results of the study, the immigration service will install biometric technologies, like fingerprint scanners and facial recognition software, at all 300 border entry points within the next few years. The technologies will be used to deny entry to foreign nationals who have a criminal record or who appear on government watch lists. The study, conducted by the National Institute for Standards and Technology, is the most extensive examination of biometric testing to date. It used databases of 120,000 facial photographs and 600,000 fingerprints collected by the State Department, the immigration service and law enforcement agencies. As databases grow, the ability to make accurate matches often **declines.** The scientists said they had been impressed with the results. "Facial recognition is extremely good, much better than we expected for verification," said Dr. Martin Herman, chief of the information access division at the institute.

Source: http://www.nytimes.com/2003/02/12/technology/12IDEN.html

23. February 12, Wall Street Journal — Talk of 'packages' led U.S. to raise terror-alert level. Messages from suspected terrorists about delivering "packages" to American soil led officials to raise the country's terror-alert status last week, an official familiar with the new intelligence said. The disclosure came as the voice of Osama bin Laden re-emerged to call upon Iraqis to repel any invasion with suicide attacks, adding to growing tensions about possible al Qaeda retaliation for any military action against Iraq. The mention of a "package" in several intercepted conversations alarmed U.S. intelligence analysts because al Qaeda has used the term in the past as code for bomb material. After examining other intelligence that they declined to describe, U.S. officials concluded that al Oaeda might be planning "dirty bomb" attacks — laced with radiological, chemical or biological agents -- for sometime this week, coinciding with the end of the Muslim hajj holy days. The intercepts also mentioned the Arabian peninsula, officials said. Testifying before the Senate Intelligence Committee, Central Intelligence Agency Director George J. Tenet said recent intercepts involved more than the sort of "idle chatter" that has prompted past terror alerts. "It is the most specific we have seen, and it is consistent with both our knowledge of al Qaeda doctrine and our knowledge of plots this network — and particularly its senior leadership has been working for years," he said.

Source: http://online.wsj.com/article/0,,SB1044979587179730423,00.ht ml

[Return to top]

Emergency Services Sector

Nothing to report.

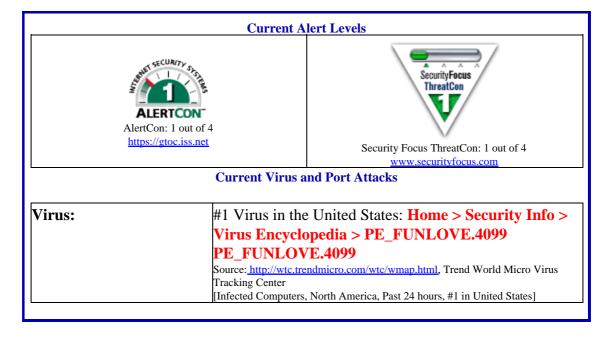
[Return to top]

Information and Telecommunications Sector

24. February 11, Newsday — In cyber-attack, the system bends, doesn't break. Experts met last weekend at the annual CyberCrime convention in Mashantucket, CT to model a scenario where cyber-terrorists decide to strike first in a potential cyber-war against unspecified enemies. Richard Hunter of Gartner, the research firm that proposed and conducted the high-tech war games, says the "significant" threat to the Net is not its collapse, but the possibility that terrorists could build an undetectable control network on top of it to monitor and filter Internet traffic. Then, Hunter said, the terrorists could "subvert the Internet and take it for their own purposes." At the same time he noted that diligent maintenance of computer networks in the private and public sector would prevent 90 percent of those attacks, and suggested a seat-belt law-like model could prod slackers into cleaning up their network acts. As it turns out, the greatest potential threat against the country's infrastructure is one **against the nation's financial networks** — an attack that requires little technical savvy, Hunter said. Terrorists with clean credentials could buy or even start a bank and get access to the financial clearing house. Done the day after Thanksgiving, the biggest shopping day of the year, and also the day when Social Security checks and half of private corporation paychecks are processed, the terrorists could then introduce a massive onslaught of fraudulent bills into the system, causing it to choke on all the unacceptable volume.

Source: http://www.newsday.com/business/columnists/ny-biz-harrington 0211,0.6403345.column?coll=ny%2Dbusiness%2Dcolumnists

Internet Alert Dashboard



Top 10 Target Ports	137 (netbios-ns), 80 (http), 1434 (ms-sql-m), 53
	(domain), 1433 (ms-sql-s), 445 (microsoft-ds), 139
	(netbios-ssn), 21 (ftp), 4662 (???), 25 (smtp)
	Source: http://isc.incidents.org/top10.html ; Internet Storm Center

Return to top

General Sector

- 25. February 12, USA Today Warnings trigger a run on disaster supplies. The buying seemed more intense in New York City and Washington, D.C., widely considered the most likely targets for terrorists. The purchases came amid stepped-up security around the country since Friday, when the terror threat level was raised from yellow to orange, indicating a "high" risk of attack. Meanwhile, anxious customers piled into hardware stores around the nation's capital. In Reston, VA, shoppers argued over emergency supplies. In New York, stores saw a similar pickup. "We've been having a steady stream of customers buying dropcloths and duct tape," said Jonathan Jeffries at Vercesi Hardware. "Most are coming because they saw it on the news ... (and are) just trying to be prepared. But New Yorkers are always trying to be prepared." Jon Terzis purchased a \$595 "domestic preparedness kit" at Quark International Limited. The kit contains a gas mask, alarm, latex gloves, a flashlight, a multipurpose emergency tool and a chemical protection suit. "Look, I don't know if any of this stuff is going to protect you, but there is a certain peace of mind," Terzis said. "For this amount of money, to be caught without it sounds silly. That's a night on the town for most New Yorkers." Consumer fears and purchases varied by region: At Central Ace Hardware in Miami Beach, long a prime source for hurricane supplies, calls came early. "A guy wanted a dozen rolls of duct tape," manager Jack Terplicki said. "He wanted to make sure he was prepared for the security alert and was afraid it would sell out. Normally, in hurricane season, all you need is one roll for the house. People are real scared." In Fremont, NE, Deb Gaudio was buying water, canned food and a radio. "We tend to buy in bulk anyway. And so what we did was purchase an extra quantity of things that we would use either way." In the San Francisco area, "people have emergency supply kits because we have unreliable power and we live in earthquake country," said Henry Nesmith, owner of Los Altos Hardware in Silicon Valley. Internet sales also have gone up. Long Life Food Depot, based in Richmond, IN, said sales of military-style MREs (meals ready to eat), were up 100% since the threat level was raised. Popular orders: cases containing 240 meals (\$1,080) and 72-hour emergency kits (\$112) for four people. Source: http://www.usatoday.com/news/nation/2003-02-11-supplies-usat x.htm
- 26. February 12, CNN North Korea has ballistic missile capable of hitting U.S. North Korea has an untested ballistic missile capable of hitting the United States, top U.S. intelligence officials said Wednesday. While testifying at a Senate committee hearing in Washington, CIA Director George Tenet was asked whether North Korea had a ballistic missile capable of reaching the U.S. West Coast. Before answering, Tenet turned to very quickly consult with aides sitting behind him. "I think the declassified answer, is yes, they can do that," Tenet said. Defense Intelligence Agency Director Vice Adm. Lowell Jacoby, also testifying at the hearing, said outside the hearing room that the North Korean missile has not yet been flight

tested, according to The Associated Press. The estimate is not new — it was laid out in an

unclassified CIA document in December 2001— but Tenet is the most senior U.S. official to say so publicly.

Source: http://www.cnn.com/2003/WORLD/asiapcf/east/02/12/us.nkorea/

Return to top

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